

BEFORE THE
Federal Communications Commission RECEIVED

WASHINGTON, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Implementation of Sections 3(n))
and 332 of the Communications)
Act)

GN Docket No. 93-252

Regulatory Treatment of Mobile)
Services)

To: The Commission

COMMENTS OF RIG TELEPHONES, INC.

Rig Telephones, Inc. ("RTI"), by its attorneys, respectfully submits its Comments in response to the Notice of Proposed Rule Making ("NPRM") issued by the Federal Communications Commission ("FCC" or "Commission") in the above-captioned proceeding.

I. STATEMENT OF INTEREST

1. RTI is a licensee of Part 22 Offshore Radio Telecommunications Service ("ORTS") facilities and Rural Radio Service facilities as well as Part 21 point-to-point microwave facilities, Part 80 Public Coast facilities and Part 90 Private Land Mobile Radio Service facilities. Through this combination of facilities, RTI provides RF based communications services in the Gulf of Mexico ("the Gulf") to offshore drilling rigs, petroleum production

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platforms and vessels. Because RTI is a Part 22 mobile service provider, and would be treated as a provider of commercial mobile services under the proposed definition, it is pleased to have the opportunity to comment on the Commission's proposed regulatory treatment of such services.

II. DISCUSSION

2. While the NPRM raises many issues with regard to the regulatory treatment of mobile services, RTI will confine its Comments to issues related to the tariffing of commercial mobile services and the interconnection rights of commercial mobile service providers. Each of these issues will be discussed in turn below.

A. The Commission Should Forbear From the Enforcement of Tariff Regulations on all Commercial Mobile Service Providers, Including RTI

3. Under Section 332(c) of the Omnibus Budget Reconciliation Act of 1993 ("the Budget Act"), the Commission is afforded discretion to forbear, with certain exceptions, from Title II regulation of commercial mobile service providers. Pursuant to this section, the Commission in its NPRM tentatively concluded that commercial mobile service providers should not be subject to federal tariff

regulation. RTI agrees with the Commission's tentative conclusion that the level of competition in the commercial mobile services marketplace is sufficient to support forbearance from tariff regulation for commercial mobile services provided to end users. With the wide array of commercial mobile services currently in place and with the imminent market entry of personal communications services ("PCS"), there is significant competition in the market for commercial mobile services. This competition should provide sufficient disincentives to providers of commercial mobile services to discriminate or charge unreasonable rates.

4. The competitive market for commercial mobile services warrants equivalent regulatory treatment for all providers of such services. Any forbearance from tariff regulation extended to cellular mobile service providers pursuant to this rulemaking should also be extended to RTI. Accordingly, RTI requests that the Commission clarify in any report and order resulting from this NPRM that forbearance applies to RTI.

5. Like cellular carriers, RTI and its predecessor in interest, the Offshore Telephone Company ("OTC"), have historically been treated as dominant carriers and therefore not subject to the Commission's former forbearance policy.

Due to changes in the competitive environment in the Gulf since the ORTS was established in 1976, such treatment is no longer warranted. Today, there is clearly a sufficient degree of competition in the provision of commercial mobile services in the Gulf to support the classification of RTI as a nondominant carrier.

6. RTI competes with two cellular carriers in the Gulf^{1/} as well as with private systems licensed under Part 94 of the Commission's rules. Moreover, satellite communications are widely utilized by end-users and are available to cellular carriers operating in the Gulf.^{2/} In addition, onshore cellular service licensees and a number of carriers licensed under Part 80 of the Commission's rules

^{1/} In addition to being one of three competing commercial mobile service providers in the Gulf, RTI utilizes a technology which is less sophisticated than that utilized by its cellular competitors. Cellular technology is generally recognized as both superior and more efficient than that utilized by conventional mobile service providers including ORTS carriers such as RTI. See, e.g., An Inquiry Relative to the Future Use of the Frequency Band 806-960 MHz; and Amendment of Parts 2, 18, 21, 73, 74, 89, 91, and 93 of the Rules Relative to Operations in the Land Mobile Service Between 806 and 960 MHz, 46 FCC 2d 752, 753 (1974).

^{2/} Petroleum Communications, Inc. ("PetroCom") utilizes satellite communications in providing service in the Gulf. See Response to Request for Additional Information filed by PetroCom on September 16, 1993 in the matter of Petition for a Declaratory Ruling That GTE Airfone, GTE Railfone, and GTE Mobilnet are not Subject to the Telephone Operator Consumer Services Improvement Act of 1990 (File No. MSD-92-14).

provide service along the coastal areas of the Gulf of Mexico. In view of these competitive offerings, as well as the imminent implementation of PCS, the marketplace for commercial mobile services in the Gulf is sufficiently competitive to satisfy the criteria for forbearance established by Section 332(c)(1)(A) of the Budget Act. Enforcement of tariff regulation under Title II is not necessary to ensure just, reasonable and nondiscriminatory rates and forbearance is consistent with the public interest. Therefore, to the extent that regulatory forbearance is applied to cellular carriers (including RTI's competitors providing cellular service in the Gulf), forbearance should be applied to RTI's Part 22 and Part 80 operations, as well.

B. The Commission Should Establish and Enforce a Uniform Interconnection Policy for Commercial Mobile Service Providers Which Applies to DID Service

7. In its NPRM, the Commission proposed that all commercial mobile service providers be afforded the same level and quality of interconnection as that presently afforded to common carriers. RTI agrees with the Commission that local exchange carriers should be required to provide all commercial mobile service providers with interconnection

rights equivalent to those currently afforded to Part 22 common carrier licensees. However, in order for such a policy to be effective, it must be enforced.

8. Absent the establishment and enforcement of a uniform interconnection policy, offshore carriers such as RTI may no longer be in a position to provide the full range of services that are available to customers of onshore carriers. Notwithstanding the Commission's established interconnection policy for Part 22 licensees, Southwestern Bell Telephone Company ("SWBT") has advised RTI that SWBT intends to discontinue the provision of direct inward dial ("DID") service to RTI which, for years, it provided to RTI's predecessor, OTC.^{3/} DID service is routinely provided by landline telephone companies to cellular providers and is an integral component of commercial mobile radio service. Indeed, the availability of DID service is critical to RTI's ability to compete. For these reasons, the Commission should make explicit that its uniform interconnection policy encompasses the provision of DID service.

^{3/} SWBT has also threatened to discontinue the provision of DID service to PetroCom, a cellular carrier based in the Gulf. This dispute is currently the subject of a pending formal complaint proceeding. Petroleum Communications, Inc. v. Southwestern Bell Telephone Company, File No. E-93-092.

9. Enforcement of such a uniform interconnection policy will ensure that offshore carriers can obtain the full panoply of services available to their onshore counterparts and, in turn, provide the full array of services to their customers in the Gulf. As a result, customers of RTI, PetroCom and other offshore carriers will not risk incurring discriminatory treatment, with respect to the availability of particular service offerings, by virtue of their location.

WHEREFORE, THE PREMISES CONSIDERED, Rig Telephones, Inc. respectfully requests the Federal Communications Commission to act in a manner fully consistent with the views expressed herein.

Respectfully submitted,

RIG TELEPHONES, INC.

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Dated: November 8, 1993